

## Message Text

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67

ACTION EB-07

INFO OCT-01 CIAE-00 COME-00 DODE-00 NRC-05 NSAE-00 USIA-06

TRSE-00 EA-07 ERDA-05 ISO-00 /031 W

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R 220200Z NOV 76

FM AMEMBASSY TAIPEI

TO SECSTATE WASHDC 1764

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EXCON

E.O. 11652: N/A

TAGS: ESTC, TW, CH, UR

SUBJECT: P/L CHECK, INDUSTRIAL TECHNOLOGY RESEARCH INSTITUTE

REF: STATE 274714

1. INDUSTRIAL TECHNOLOGY RESEARCH INSTITUTE (ITRI) IS A GROC ORGANIZATION, OPERATING UNDER MINISTRY OF ECONOMIC AFFAIRS. DISCREPANCY IN ADDRESSES OF ULOIMATE CONSIGNEE REFLECTS NO MORE THAN DIFFERENCE IN LOCATION OF HEAD OFFICE (TAIPEI) AND INTENDED OPERAOING SITE. CENTRAL TRUST OF CHINA, WHICH NORMALGY ACTS AS OVZRSEAS PURCHASING AGENT FOR SUCH TRANSACTIONS IS ALSO GOVERNMENT ORGAN.

2. EXAMINATION OF ITRI DOCUMENTS AT TAIPEI OFFICE REVEALED NO BASIS TO QUESTION BONA FIDES OF TRANSACTION. DIFFERENCE IN VALUE CITED BY III AND CIF PRICE ITRI LOG WAS WITHIN RANGE EXPGAINABLE BY SHIPPING COSTS.

3. ACCORDING OO F. CHENG, ITRI TAIPEI OFFICE MANAGER, ITRI PLANS TO USE EQUIPMENT IN QUESTION TO PRODUCE HIGH-PURITY SILICON WAFERS. THIS PROGRAM, HE SAID, IS PART OF RESEARCH AND TRAINING EFFORT OF GROC DESIGNED TO PROMOTE LOCAL PRODUCTION OF HIGHER-TECHNOLOGY  
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ELECTRONICS COMPONENTS, E.G., FOR DIGITAL WATCHES,

WHICH MUST NOW BE IMPORTED IN WHOLE OR PART. CONTRACT IN QUESTION WAS MADE PURSUANT TO PRE-EXISTING MULOI2 MILGION DOLLAR AGREEMENT WITH RCA. IN SUPPORT OF THE GROC PROGRAM AND AS PART OF PACKAGE ARRANGEMENT WITH RCA, TRAINEES HAVE ALREADY BEEN SENT TO U.S. AND MORE ARE ON THE WAY.

4. ITRI, ACCORDING OO CHENG, HAD ORIGINALLY HOPED TO BEGIN OPERATING EQUIPMENT BY MARCH 1977, BUT DATSPROJECTED HAS SLIPPED OO AUGUST BECAUSE OF SLOW DELIVERY OF NEEDED EQUIPMENT BY U.S. SUPPLIERS. ESTIMATED PRODUCTION AFTER SIX-MONTH TO ONE2YEAR SHAKEDO, 03489\$ 8 500 THREE-INCH SILICON WAFERS PER WEEK.

5. INSPECTION OF PGANT SITE WAS NOT CARRIED OUT. CHENG INDICATED THAT AT PRESENT ONLY A CONCRETE SLAB EXISTS, AND SINCE OPERATION IS NOT A PROFIT-MAKING ENDEAVOR, USUAL COMMERCIAL INVESOIGATIVE GUIDELINES BASZD ON ASSUMPTION OF ECONOMIC OPERATION AS LISTED BY REFTTEL ARE NOT BELIEVE RELEVANT.

6. AS ITRI IS AN ORGAN OF HOST GOVERNMENT, NO REQUZST IS BEING MADE TO HAVE PT FILL IN WTDR FORMS.

7. CHANCES OF DIVERSION OF EQUIPMENT TO PRC OR OTHER BGOC COUNTRIES BELIEVED MINIMAL. CONSEQUENTLY, EMBASSY HAS NO OBJECTION TO REFERENCED TRANSACTION AND RECOMMENDS GRANTING OF LICENSE.  
POPPL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ELECTRONIC EQUIPMENT, EXPORT LICENSES, TRANSACTION CHECKS, END USE CHECKS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 NOV 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** greeneet  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976TAIPEI07725  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760433-0638  
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**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 STATE 274714  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** greeneet  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 24 MAY 2004  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** P/L CHECK, INDUSTRIAL TECHNOLOGY RESEARCH INSTITUTE  
**TAGS:** ESTC, TW, CH, UR, INDUSTRIAL TECHNOLOGY RESEARCH INST, ITRI  
**To:** STATE  
**Type:** TE  
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